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FM AMCONSUL CALCUTTA
TO RUEHC/SECSTATE WASHDC PRIORITY 1298
INFO RUEHNE/AMEMBASSY NEW DELHI PRIORITY 1168
RUEHB1/AMCONSUL MUMBAI PRIORITY 0472
RUEHCG/AMCONSUL CHENNAI PRIORITY 0470
RUEHGO/AMEMBASSY RANGOON PRIORITY 0197
RUEHBJ/AMEMBASSY BEIJING PRIORITY 0086
RUEHKT/AMEMBASSY KATHMANDU PRIORITY 0299
RUEHLM/AMEMBASSY COLOMBO PRIORITY 0120
RUEHBK/AMEMBASSY BANGKOK PRIORITY 0129
RUEHCN/AMCONSUL CHENGDU PRIORITY 0046
RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 0231
RUEAIIA/CIA WASHINGTON DC
RHEFDIA/DIA WASHINGTON DC
RUEIDN/DNI WASHINGTON DC
RHHMUNA/HQ USPACOM HONOLULU HI
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C O N F I D E N T I A L SECTION 01 OF 02 CALCUTTA 000543

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DEPT FOR DRL, SCA/INS, EAP/MLS; PACOM FOR POLAD

E.O. 12958: DECL: 12/4/2016

TAGS: PREL PGOV PHUM PTER IN BM

SUBJECT: TO KEEP CHINESE OUT, INDIA SEEKS CLOSER TIES WITH BURMA

REF: A) NEW DELHI 7514, B) CALCUTTA 0481, C) RANGOON 1670, D) CALCUTTA 0516

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CLASSIFIED BY: Henry V. Jardine, Principle Officer, U.S.
Consulate, Kolkata.

REASON: 1.4 (b), (d)

¶1. (C) Summary: The GOI recently provided arms to Burma for use in counter-insurgency operations along the Indo-Burma border. The GOI hopes to stop the activities of especially violent insurgent groups the United Liberation Front of Assam (ULFA) and the United Liberation Front (UNLF), but the GOB has so far focused its operations against the National Socialist Council of Nagalim-Khaplang (NSCN-K). While seeking help in tackling its insurgency problem, India has other reasons for cozying up to the GOB: countering China's influence and natural gas. Reasons enough, in India's view, to ignore Burma's dismal human rights record. End Summary.

¶2. (C) The GOI recently transferred weapons, including howitzers and related equipment, to Burma (reftel A). This hardware transfer is to assist the Burmese Army in eliminating insurgent camps operated by ULFA, UNLF and the People's Liberation Army (PLA) inside Burmese territory. UNLF and PLA are Manipur-based insurgent groups known for their violent tactics. ULFA has also increased its attacks recently (reftel B) as it pushes for independence for ethnic Assamese. ULFA and the Manipur-based rebels frequently cross into Burma from India to escape GOI troops, and are known to maintain camps inside Burma.

¶3. (C) The GOI expects Burmese operations against all of the groups - "sanitizing the border region" as one policy analyst described it. Early media reports about Burmese operations indicate that at least three bases of the NSCN-K and ULFA - Chuiyang Noknu, Challam, and Longjie - have fallen to Burmese forces. The initial focus on operations against the NSCN-K is probably because NSCN-K chairman S.S. Khaplang is an ethnic Burmese and the NSCN-K has long claimed a portion of Burmese

territory as part of its ethnic homeland, maintaining its headquarters there. (Note: India has cease-fire agreements with the two main Naga insurgent groups, but has only held peace talks with the National Socialist Council of Nagalim - Isak Muivah (NSCN-IM) and not the NSCN-K. End note.)

¶4. (SBU) Cooperation with Burma also facilitates two other GOI interests: containment of China and construction of a gas pipeline from Burma's Shwe fields to India (reftel C). China is providing assistance to the GOB for modernization of Burma's naval bases at Hainggyi, Mun Aung, Sittwe, Zadetkyi Mergui, and the Coco Islands. That assistance, combined with China's 2005 deal with Pakistan to construct a deep sea port at Gwadar raised concerns that India was being "pinched in" by the Chinese. The GOI fears increased Chinese operational capabilities in the Indian Ocean and the Bay of Bengal, leading to eventual "encirclement" of India. (Comment: These fears surely played a role in the GOI's denial of a Chinese bid on a proposed deep-sea port on West Bengal's southern coast. End comment.)

¶5. (SBU) In addition, India is acutely aware of its unresolved border issues with China in India's Northeast. On November 13, China's ambassador to India asserted that China considered the entire Indian state of Arunachal Pradesh a part of China, causing a firestorm of criticism from the Indian media and a sharp rebuke from Exterior Affairs Minister Pranab Mukherjee. China has also pushed for re-opening of China-Burma-India trade through the Stillwell Road, which runs from Assam through Burma and into China's Yunan province.

¶6. (C) India is also competing with China and others for access to Burma's natural gas fields at Shwe, offering loans and cash to modernize an oil refinery and to develop a port at Sittwe (reftel C). India had originally proposed a pipeline that would travel through Bangladesh, but is instead focusing on routing the gas through its northeastern states of Mizoram and Assam and then through W. Bengal, where it would join an existing pipeline in Bihar. News of the Indian plans has spread in the Northeast.

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Student groups have begun to organize campaigns against the pipeline's construction, arguing that it would require an increased military presence in the northeast, contribute to environmental degradation, and displace locals from their homes.

¶7. (C) Comment: GOI worries about China's influence in the region are substantial. India sees its exploring closer ties with Burma as necessary for national and economic security reasons -- needing Burma as a partner against China, even if India faces potential international censure against the actions of the Burmese military in eliminating insurgent groups. The chance to tap into Burma's natural gas fields provides another incentive to look the other way on Burma's human rights record.

However, the U.S. should keep pressing the GOI to play a positive role in bringing democratic change in Burma. India's concerns about China, stable borders and natural resources do not exclude it, as a global democratic power, from a responsibility to maintain pressure on the Burmese junta to bring about reform and to respect human rights. The USG should make this a regular talking point in interactions with Indian officials. JARDINE